

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL SERVICES**

SOLAR/WIND POWER PURCHASE AGREEMENT

Solicitation #:DCAM-13-NC-0147

**Addendum No. 3
Issued: June 18, 2013**

This Addendum Number 03 is issued by e-mail on June 18, 2013. Except as modified hereby, the Request for Proposals (“RFP”) remains unmodified.

Item #1

Requests for Information: Below is a list of questions and the Department’s responses.

1. If an Offeror is selected to Phase II and is not selected as the supplier to DGS, the Letter of Credit or Bond will be fully refunded and in what time period? **Response: The Letter of Credit/Bid Bond will be returned within five (5) business days from request.**
2. If the Transmission Component is re-opened after the agreed upon period ends how does DGS anticipate the re-negotiation to occur and what happens if the Offeror and DGS can’t agree on the Transmission Component for the next period? Is it the intent of DGS to honor the original agreed upon pricing at the generation delivery point and then seek the Transmission Component from another market participant? **Response: DGS anticipates that the contract will include a provision that further defines this process. In general, however, DGS anticipates that such a procedure would involve negotiations between the parties. If the parties are unable to reach agreement on the proper transmission process, the agreement would include a mutually agreed upon dispute resolution process pursuant to which a third-party would have the authority to make an independent assessment that binds the parties.**
3. The Department, as clarified in Amendment 2, expects suppliers to provide a firm commitment in Phase 1. At the same time, the Department has left significant elements of the terms of the PPA open for negotiations during Phase 2 that will require potential price adjustments and internal approvals. How do you expect suppliers to resolve this conflict? Can suppliers offer a firm commitment but reserve the right not to enter into a final and binding PPA at that price if the PPA terms are not acceptable? Can supplier condition their firm commitment on those terms and would that trigger a disqualification and/or forfeiting the bond? **Response: Offerors should indicate in their proposals the terms and conditions that must be included in the contract in order for the price to remain valid. Such terms and conditions should be reasonably specific and generic statements such as “agreement upon a mutually acceptable contract” are not sufficient.**
4. Does the indirect spend associated with the solar and/or wind facility construction count toward the SLDBE participation requirements of this RFP? **Response: The**

construction costs would not count towards the LSDBE requirements for the Power Purchase Agreement. However, the Department encourages and would regard highly Offerors' incorporation of CBEs in the construction of any generation facilities.

5. The RFP allows for 10 points for additionally. Some projects truly need the DC DGS PPA in order to be built (i.e., investor has no merchant risk appetite). Other projects will start construction this year regardless of securing a PPA (i.e., willing to take merchant risk in order to qualify for the PTC). How will the RFP determine whether a project will not be built without this PPA (e.g., will an affidavit be requested attesting to this)?
Response: Offerors should address this element of the scoring criteria in their proposals. While DGS reserves the right to verify any statement set forth in the proposals, DGS expects that all data submitted to it in response to the RFP is truthful and thus it would not be necessary to provide an affidavit. Adequate evidence as to "additionality" should be provided in the proposal.
6. Can an Offeror submit a project's output into both the DC DGS and GWU RFPs (i.e., the same MWh into both RFPs) and what will happen if both DC DGS and GWU select that project as the winning Offeror? **Response: Yes, an Offeror may submit a project's output to both DGS and GW. With regard to the second element of this question, DGS and GW have not decided how such a situation would be handled; however, it is our expectation, that should such a situation arise, it would be resolved in a manner that is mutually acceptable to all involved (i.e. DGS, GW and developer).**
7. If an Offeror proposes less than the full volume requested, how will the guaranteed minimum work (e.g., will it be the same ratio as that required for the full amount)?
Response: See Addendum 1, Item #2.
8. Page 2 of the RFP states "At a minimum, a wind energy developer must have successfully developed at least two projects of approximately 35 megawatts; and a solar energy must have successfully developed at least five photovoltaic projects of at least 1 MW each. A proposal that fails to meet this standard shall be deemed non-responsive." Page 11 states "Offerors will be evaluated based on their demonstrated experience in (i) bringing renewable energy projects (solar, wind or hybrid) with generation capacity of over 25 megawatts to commercial operations; and (ii) experience with renewable energy projects located in the PJM territory or connecting to the PJM grid." And finally page 15 states "The Offeror should provide detailed descriptions of no more than eight (8) projects that best illustrate the team's experience and capabilities relevant to this Project, including two projects with capacity of at least 35MW. Question: How will a Solar developer's experience be evaluated given this conflicting information? As the evaluation section reads, we will still be evaluated based upon solar projects with 25 MW of capacity and as the instructions read, we would be responsible for providing 2 35 MW projects as references. Please clarify. **Response: In order to be responsive, a solar developer must demonstrate the minimum requirement of having brought to commercial operations at least two projects of 35MWs. In evaluating the offeror's experience, however, the Department will consider the experience of the developer in bringing to commercial projects smaller projects (i.e., projects of at least 25 MW) as well as larger projects.**

Item #2

The bid date remains unchanged. Proposals are due by **June 21, 2013 at 2:00 pm EDT**. Proposals that are hand-delivered should be delivered to the attention of: **Kara Robbins, Contract Specialist, at Frank D. Reeves Center, 2000 14th Street, NW, 8th floor, Washington, DC 20009.**

- End of Addendum No. 3 -